Termination of MIP 2000 Scheme of UTI

3472. SHRI ABANI ROY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Monthly Income Plan-2000 (second) scheme of Unit Trust of India (UTI) has been terminated on 31st March 2005;

(b) if so, what are the reasons for not refunding the principal amount of the above scheme to unit holders after its termination;

(c) whether UTI will give interest on the delayed payment after 31st March, 2005 to unit holders; and

(d) if not, the reasons therefor and by when the unit holders will get their principal amount?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (A) Yes Sir. Monthly Income Plan 2000 (II) was terminated on maturity on 31st March, 2005.

(b) and (c) Specified Undertaking of Unit Trust of India (SUUTI) has informed that the principal amount has been refunded to the unit holders of MIP 2000(II) and there was no delay in payment of maturity proceeds to the unit holders of the scheme.

(d) Does not arise.

Implementation of VAT

3473. SHRIMATI KAMLA MANHAR: Will the Minister of FINANCE be pleased to state:

(a) whether clear instructions have been issued for implementation of VAT to States who have already agreed to implement VAT from April 1, 2005:

(b) whether any common list is under preparation of various itmes put under VAT particularly for complete exemption and under 4 per cent category and if so, the details thereof; and

(c) whether in order to maintain uniformity across the country particularly for items under 4 per cent exemption category, Government propose to advise the State Governments and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) the VAT System, implemented by most of the States with effect from 1st April, 2005, is a State subject. therefore, the question of issuing instructions to States for implementation of VAT does not arise.

(b) The Empowered Committee of State Finance Ministers, which is a representative body of all States, has finalized lists of commodities to be taxed under various rates. It has been decided by the Empowered Committee that under the exempted category there will be about 46 commodities comprising natural & unprocessed products, items which are legally barred from taxation and items which have social implications. Gold, silver, bullion and precious stones shall attract 1% rate of VAT. Under 4% VAT category, about 270 commodities will be there, comparising items of basic necessities, all agricultural and industrial inputs, capital goods and declared goods. The remaining commodities shall fall under the general rate of VAT of 12.5%.

(c) Although uniformity in rates of tax under the VAT System across the country is desirable, the question of advising the State Governments to maintain uniformity particularly for items under 4% and exempted category does not arise as VAT is a State subject.

Opening of branches of NABARD in Tamil Nadu

3474. SHRI C. PERUMAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is proposed to set up office/branch of NABARD in various cities in Tamil Nadu;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) NABARD has opened its residence-cum-office of District Development Manager (DDM) in the following 21 districts in Tamil Nadu. In the remaining districts, it is proposed to open residence-cum-office of DDM in a phased manner.

1. Kancheepuram
2. Ramanathapuram
3. Vellore
4. Nagapattinam
5. Dharmapuri
6. Cuddalore
7. Dindigul
8. Tiruneveli
9. Coimbatore
10. Salem